SENATE BILL REPORT SB 5684

As Reported By Senate Committee On: Labor, Commerce, Research & Development, March 1, 2005

Title: An act relating to child care workers.

Brief Description: Adopting a wage ladder for child care workers.

Sponsors: Senators Kohl-Welles, Brown, Kline, Hargrove, McAuliffe, Stevens, Keiser, Thibaudeau, Fairley, Weinstein, Spanel and Rasmussen.

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 2/21/05, 3/1/05 [DPS-WM].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5684 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Brown, Hewitt, Keiser and Prentice.

Staff: Jennifer Strus (786-7316)

Background: In July 2000, the state instituted a Child Care Career and Wage Ladder Pilot Project (Pilot Project), which was funded by Temporary Assistance for Needy Families reinvestment funds. The purpose of the Pilot Project was to enable child care centers to increase wages and offer benefits for child care workers and to encourage child care workers to obtain further education.

The Pilot Project emphasized worker education, responsibilities, and experience, and consisted of increased wage increments based upon education and/or experience paid for by the state, the center, or both.

To participate in the Pilot Project, child care centers had to meet the three criteria: (1) have at least 10 percent of child capacity in state-subsidized child care programs; (2) provide employees with 12 days paid leave; and (3) provide employees with assistance with medical premiums of up to \$25 per month.

Before the Pilot Project ended in June 2003, it included 120 child care centers, 1,500 child care workers, and 8,700 children served.

Summary of Substitute Bill: Within available funds, the Division of Child Care and Early Learning (DCCEL) in the Department of Social and Health Services (DSHS) must establish a child care career and wage ladder in licensed child care centers that meet the following criteria:

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- dedicate at least 10 percent of child care slots to children whose care is subsidized by the state or local government;
- agree to adopt the child care career and wage ladder which must be at least at the same pay schedule as existed in the Pilot Project; and
- meet further program standards as established by the DCCEL by rule.

The child care career and wage ladder must include wage increments for levels of education, years of relevant experience, levels of work responsibility, relevant early childhood education credits, and relevant requirements in the State Training and Registry System (STARS).

The DCCEL is required to establish procedures for the allocation of funds to implement the child care career and wage ladder among child care centers meeting the identified criteria for participation.

Notwithstanding the procedures that the DCCEL is required to establish for the allocation of funds to implement the child care career and wage ladder, child care centers meeting the basic criteria for participation in the career and wage ladder located in urban areas of DSHS 's Region 1 must receive a minimum of 15 percent of the funds allocated through the child care career and wage ladder. Of those centers, the centers participating in the Spokane tiered reimbursement pilot project must have first priority for child care career and wage ladder funding.

Child care centers adopting the child care career and wage ladder are required to increase wages for child care workers who have earned a high school diploma or GED certificate, gain additional years of experience, or accept increasing levels of responsibility in providing child care, in accordance with the child care career and wage ladder. The DSHS is required to pay wage increments for child care workers employed by child care centers adopting the child care career and wage ladder who earn early childhood education credits or meet relevant requirements in the STARS, in accordance with the child care career and wage ladder.

The DCCEL must study the impact of the child care career and wage ladder on the quality of child care and the child care work force, and report its findings to the Governor and the appropriate committees of the Legislature by December 1, 2006.

Substitute Bill Compared to Original Bill: Makes a technical correction to the name of the original project and clarifies that DSHS is required to implement the child care wage and career ladder only if funds have been appropriated specifically to implement the bill.

Appropriation: \$5 million for FY 06 from General Fund - State.

\$5 million for FY 07 from General Fund - State.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Employee turnover in child care centers is high because wages are too low. The turnover rate is three times the national average in other employments. As a result the children who attend the center suffer as do their parents' productivity at their jobs. Child care teachers have had to take on second jobs to earn enough money to get by. The only way to

attract and keep good child care teachers is reasonable pay and benefits. Eighty percent of charged fees go to pay wages. No other field embraces change as well as early childhood education - for every dollar spent on early childhood education, \$7 is saved in remedial education, social justice programs etc.

Testimony Against: None.

Who Testified: PRO: Colleen Hill, Country Kids Playhouse; Lynn Wirta, Small Faces Child Development; Lauren Tozzi, Crown Hill 3-C's Co-op Preschool; Agda Burchard, WAEYC and the Collaborative; Dorothy Gibson, Jennifer Anderson, Teresa Andrews, Ramon Nacanaynay, Child Care Workforce Alliance; Michael Kaspizak, Interlake Child Care Center; Mike Sheehan, Hutch Kids Child Care; Marsha Brix, Fauntleroy Child Care Center.